

Ann Arbor Downtown Development Authority Budgets 2013/14 & 2014/15



What is a Downtown Development Authority (DDA)?

State-enabled quasi-governmental economic development agency aimed at:

Increasing downtown property values

Promoting economic growth

Attracting new private investment



Ann Arbor DDA Mission:

“To undertake public improvements that have the greatest impact in strengthening the downtown area and attracting new private investments.”

Infrastructure investment to enhance downtown’s sense of place & make downtown development-ready.

Manage the parking system to support a vital commercial core & a growing residential base.

Grants to support key development strategies.



Recent DDA projects have included:

5th & Division Improvements Library Lane Structure Project
Electric Vehicle Charging Units Grants to Baker Commons
Curb Ramp Replacements Connecting William Street Plan
Grants for anti-graffiti efforts Go!passes
First & Washington Parking Structure

Division Before



Division After



A2 DDA's TIF (tax increment financing)

Some of the tax increases generated by new construction in the DDA District

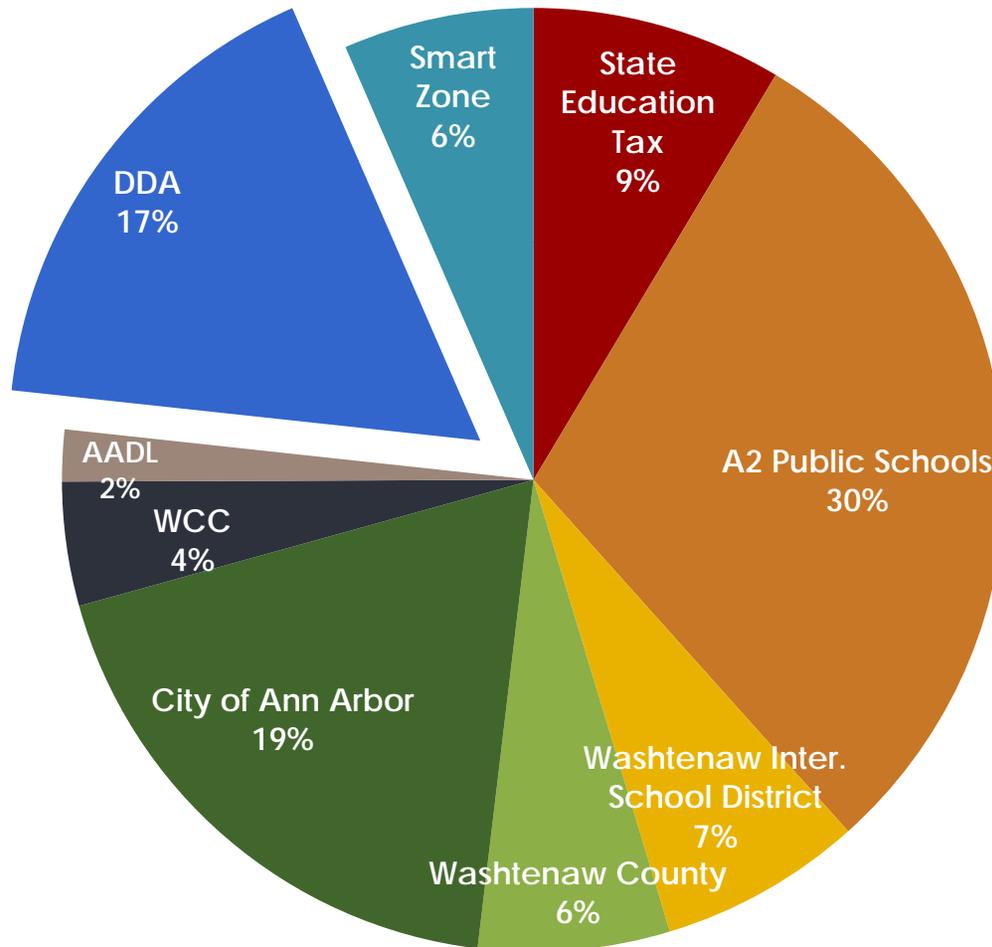
Tax increases triggered by taxable value increases go to the City and the other taxing authorities

The City's tax capture from within the DDA has grown from \$1.3M to \$4.1M



**DDA TIF = 17% of Downtown Property Taxes
83% Downtown Taxes Received by Others**

\$22 Million Total Taxes Generated Downtown in 2011/12



DDA Parking Revenues

Revenues from on-street & off-street public parking facilities

DDA Management Successes:
Usage
Repairs/maintenance
Customer service scores

The City receives all parking enforcement revenues, as well as the revenues from the residential parking permit program.



DDA 2013/14 and 2014/15 Budgets



DDA 2013/14 and 2014/15 Budgets

Revenues

	<u>2011/12</u> Actual	<u>2012/13</u> Budget	<u>2013/14</u> Budget	<u>2014/15</u> Budget
TIF	\$ 3.7	\$ 4.0	\$ 4.0	\$ 3.8
Parking	\$17.1	\$18.1	\$19.3	\$19.6
Interest/Misc	<u>\$ 0.3</u>	<u>\$ 0.2</u>	<u>\$ 0.1</u>	<u>\$ 0.1</u>
	\$21.1	\$22.3	\$23.4	\$23.5

The DDA's revenue projections anticipates:

- Some personal property taxes lost
- New TIF captured from new construction
- No parking rate increases



DDA 2013/14 and 2014/15 Budgets

Expenses

	<u>2011/12</u> Actuals	<u>2012/13</u> Budget	<u>2013/14</u> Budget	<u>2014/15</u> Budget
Parking	\$9.0	\$10.6	\$11.2	\$11.6
Bond Payments	\$6.1	\$6.7	\$6.6	\$6.6
Capital Costs	\$3.8	\$6.1	\$2.1	\$2.3
Admin	\$0.6	\$0.8	\$0.8	\$0.8
Prof Services	\$0.1	\$0.4	\$0.8	\$0.9
Grants	<u>\$1.1</u>	<u>\$1.8</u>	<u>\$1.6</u>	<u>\$1.6</u>
	\$20.7	\$26.4	\$23.1	\$23.8



DDA 2013/14 & 2014/15 Budgets

DDA takes on large infrastructure projects: cycles of planning and saving.

Recent completion of 2 large projects & soon paying for 1st & Washington. In 2013/14 and 2014/15, will begin rebuilding fund balances for future large projects.

The DDA serves as the City's most impactful and effective economic development activity center.



www.a2dda.org

